

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

ADDITION OF GIFT CARDS PRICE CATEGORY TO  
GREETING CARDS AND STATIONERY PRODUCT

Docket No. MC2014-26

**RESPONSE OF UNITED STATES POSTAL SERVICE TO  
CHAIRMAN'S INFORMATION REQUEST NO. 2**  
(August 6, 2014)

The Postal Service hereby files its responses to questions 1-2 of Chairman's Information Request No. 2, issued on August 1, 2014. Responses are due today. Each question is stated verbatim, and is followed by the response.

Respectfully submitted,  
UNITED STATES POSTAL SERVICE

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RESPONSE OF UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 2

1. For gift cards that are lost, stolen or missing in the mail, please answer the following:
  - a. Please describe the Postal Service's reimbursement policy.
  - b. Please explain how the policy is presented to consumers.

**RESPONSE:**

a-b. The Postal Service gift card policy regarding reimbursement for lost, stolen, or missing gift cards (in the mail or outside of it) follows the industry standard for third-party companies selling gift cards, and for private delivery companies shipping packages that includes a gift card. These companies generally do not reimburse for the value of lost gift cards, but instead direct the customer to contact the card issuer.<sup>1</sup> Similarly, the Postal Service does not reimburse a customer for a lost, stolen, or missing gift card.<sup>2</sup>

Customers are often protected against such losses, however, from the issuer of the card. For the American Express gift cards sold by the Postal Service, customers are instructed to contact American Express customer service (1-877-297-4438) immediately for assistance. Like many gift card issuers, American Express' policy is to replace a lost, stolen, or missing card, including the balance remaining on the card at the time the loss is reported. The Postal Service provides a purchase receipt at the time of purchase with the gift card number (and a Customer Service number for the customer's

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<sup>1</sup> Creditcards.com discusses how to replace lost gift cards, and never suggests trying to recover the loss from a third-party company selling the card, or from a delivery company used to ship the card. See [www.creditcards.com/credit-card-news/how-to-replace-lost-stolen-gift-card-1271.php](http://www.creditcards.com/credit-card-news/how-to-replace-lost-stolen-gift-card-1271.php).

<sup>2</sup> Domestic Mail Manual (DMM) 609.4.3(aa) states that insurance claims will not be paid on "Lottery tickets, sweepstakes tickets, contest entries, **gift cards** and similar items." (emphasis added)

RESPONSE OF UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 2

reference). American Express has a record of all gift cards that have been activated, without further action required of the customer.

Postal Service Sales and Service Associates are trained to explain the reimbursement policy at the time of purchase. The clerk explains to the customer that Postal Service insurance is not available for gift cards that are mailed, and recommends that the customer retain the receipt. The receipt itself states "All gift card sales are final.....for all gift card questions call 1877AXP-Gift (1-877-297-4438)."

The gift card packaging states: "card number and receipt may be required for replacement. Replacement cards issued only to the extent of available funds at the time of notification . . . Read the enclosed cardholder Agreement, also available at [americanexpress.com/mygiftcard](http://americanexpress.com/mygiftcard), for terms and conditions that apply." The back of the actual card states: "No fee to replace if lost or stolen."

RESPONSE OF UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 2

2. For gift cards that are lost, stolen or missing outside of the mail, please answer the following:

- a. Please describe the Postal Service's reimbursement policy.
- b. Please explain how the policy is presented to consumers.

**RESPONSE:**

See the response to question 1.